



# PERCEPTION OF CONSUMERS TOWARDS ONLINE BUYING DURING COVID-19 PANDEMIC ERA

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## ABSTRACT

Because the Corona Virus Disease of 2019 (COVID-19), which affected our life in every area, will be remembered in history, 2020 will be recalled. Before COVID-19, the economy would never be the same. Starting on March 23, our nation was put on total lockdown. For the majority of services and factories, the lockdown began on March 23. The difficulty and danger of offline buying have increased. Customers will be encouraged to shop online in order to benefit from internet technologies. There is a need to comprehend how this epidemic has affected customers' online purchasing behaviour. There is a need to comprehend how this epidemic has affected customers' online purchasing behaviour. Analyzing the effect of COVID-19 on the sales of a few Indian FMCG firms is the second goal of this essay. The study's target population of 1000 Gujarat-based consumers was chosen, and the companies HUL and Dabur Limited were chosen to analyse secondary data. Based on the data analysis, it has been determined that there is no relationship between consumers' perceptions of online shopping during the Covid-19 pandemic and their demographic profiles. Additionally, there is no discernible difference between the sales of the companies before and after the Covid-19 pandemic, indicating that the pandemic's effects on the sales of the chosen companies are also unimportant.

**KEYWORDS:** Consumers, Buying Behaviour, Online Shopping, Covid-19.

## INTRODUCTION:

Massive losses have been incurred and are still being incurred by the global economy in general and international trade in particular as a result of the coronavirus epidemic. Many variables serve to exacerbate the uncertainty in which corporations and end users found themselves. These include, to name a few, a fall in income, limits on international travel, changed consumer demand, and shifting market actor behaviour. Consumers are being advised to spend more on online marketplaces due to the global lockdown, social isolation, and other measures put in place to stop the COVID-19 epidemic. Because of this, the corporate environment underwent quick changes throughout the quarantine. In the end, the Corona Crisis sped up the growth of digital trade. Globally, a new, more discerning, financially struggling customer who is engrossed with digital technology has evolved.

Losses in revenue, constrained transportation options, and pandemic mitigation strategies that reduced supplier activity have compelled B2B manufacturers and sellers to lower production and marketing costs, recruit new suppliers both domestically and overseas, and hastened decision-making. National businesses had the chance to broaden their product lines in order to replace imported goods and offer other businesses and international enterprises with the resources they need. B2C sectors, on the other hand, saw a reduction in consumer spending power and international mobility. In addition, customers continued to favour cheap goods and services while shifting their priorities toward health and safety. Products that enhance a sense of cosiness and comfort in a living area attracted more attention than usual. Overall, consumers delayed some of their demands due to the unpredictability and ambiguity of the situation. Both the industrial and consumer markets needed to speed up digitization and make it simple to browse and buy products online.

Online sales increased dramatically as a result of the pandemic. Customers turned to online shopping as physical store visits were limited and many were strapped for cash; this led to an increase in online sales. Even before the outbreak, customers were generally cautious. As a result, several buying categories, like experiences, were steadily lowered in importance on their priority lists, and COVID-19 sped up this process.

Many people's goals and way of life have altered as a result of the COVID-19 epidemic, which has also influenced how they behave when making purchases. The goal of the current study is to evaluate these changes. In order to accomplish this, the study assessed how the pandemic affected e-commerce across businesses in order to discover the priorities of online shoppers. As the pandemic progressed, it also determined the key elements impacting online shoppers' purchasing decisions via a multi-stage survey. The direction of their alterations against the backdrop of the pandemic was analysed based on the presence of correlations between the studied elements and the complex indicator of activation of online consumer activity.

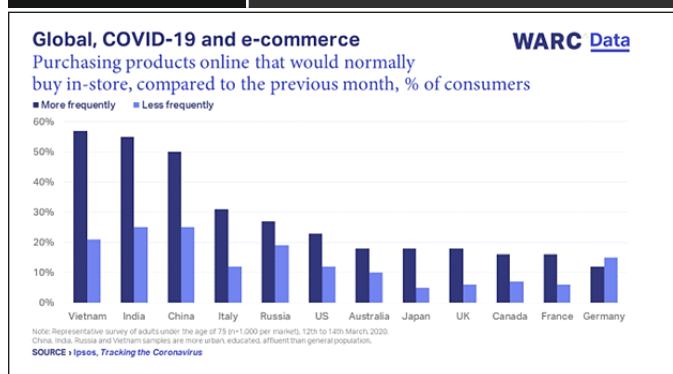
## E-COMMERCE AND COVID-19:

The internet has been widely used across many different industries, countries, and business sectors, especially in the e-commerce sector for the sale and purchase of goods and services. The expansion of m-commerce applications, e-

commerce portals, and other online platforms for the exchange of products and services has aided in this rise. When people see an online good they are interested in, they go offline and buy it, which is known as e-commerce. The opposite also occurs. Online shopping and product purchases have been significantly impacted by e-commerce platforms, among other processes. Global manufacturing and consumer communication have undergone radical change as a result of the development and widespread adoption of e-commerce technology and websites. The phrase "Amazon ecommerce business" describes a retail website that allows for simple and efficient online sales as well as offline distribution of goods and services. Over the years, both the number of people using e-commerce websites and the money those companies generate have increased steadily. 380 billion dollars will be Amazon's revenue in 2020, according to a Forbes 2020 estimate, up from 280.5 billion dollars in 2019. (Kohan, 2020). One trillion dollars are predicted to be the turnover by 2025. According to the World Health Organization, there have been an estimated 5 million cases of COVID-19 since May 2020, and the virus has increased and spread globally (Sullivan, 2020). Nearly 106 million occurrences were reported as of February 2021, and there were more than 2.32 million fatalities (NetIndian, 2021). Since the COVID-19 disaster, many preventative programmes have been put into place in other nations. Some techniques employed to prevent physical contact between individuals include wearing masks, maintaining social distance, and self-isolation. To guarantee that the COVID-19 dissemination was kept to a minimum, several measures were taken.

Online shopping and the use of the internet for ecommerce for the purchase of goods and services have grown in popularity to avoid direct human contact. Consumer usage and transaction habits have expanded with the switch from traditional cash to digital services.

India has 100 million Amazon users, according to a study in the Economic Times (J, 2017). There have been new programmes, websites, and other services developed as a result of India's increasing adoption of online shopping and digital payment methods. The factors influencing customers' ongoing use of e-commerce platforms following the COVID-19 pandemics must be understood by all parties. Social media, product content, refund and exchange policies, product descriptions, vendor statistics, delivery dates, shipping prices, web series or movies, product price, and conventional promotion are all factors that influence the acceptability and use of e-commerce. Only a small number of studies have looked at the subject during the COVID 19 pandemic in India, despite the fact that many have been conducted to evaluate online consumer purchasing intent to utilise e-commerce. Because of this, the study intends to close any gaps by determining the factors that affect consumers' decisions to use online purchasing during the COVID pandemic.



Prior to the Corona Virus, market research was conducted, and it revealed that India's market for electronic commerce is expanding more quickly (approximately 200 U.S. dollars by the year 2026). Recent developments since the outbreak show that the goal can be reached considerably more quickly than previously anticipated, encouraged by a rise in consumers seeking online delivery despite worries about possible illnesses if they leave their homes. Numerous people around the world have been infected with the new corona virus, which is the cause of the extremely serious corona virus disease (COVID-19). The main method the virus spreads is by contact with a corona positive person, thus the best approach to protect yourself from it is to stay at home when you come into contact with an area that has the virus on it. As a result, consumer e-commerce has grown.

The purpose of this study is to evaluate the suggested method for analysing online shoppers' spending patterns in order to help identify trends and patterns. As a result, it can be a part of a comprehensive toolset utilised by both states and individual businesses to create their e-commerce strategies.

#### LITERATURE REVIEW:

Bhatti et al. (2020) mentioned in the study that the Corona virus has an impact on all global internet commerce. This epidemic has altered how business is conducted. More than 50% of consumers are avoiding busy areas and offline shopping, per the report.

Online shopping, often known as E-buying, is a type of electronic company that enables customers to buy products or services directly from an online merchant utilising Internet technology and a web browser, according to Charumathi and RANI (2017). They have discovered that the internet is crucial to the many capabilities provided by electronic commerce. The services take the form of interactions, transactions, and activities involving the delivery of goods and services. When developing efficient marketing plans or policies to raise awareness of different products and services, mobile applications and websites are crucial components. Online shopping is the practise of purchasing goods and services using a computer or mobile device.

According to Saravanan and Devi (2015), as internet usage grows, consumers' shopping habits are changing and they are becoming more and more drawn to online shopping. The number of online buyers has significantly increased as a result of changes in the purchasing and selling of goods and services. Due of the risky corona virus, electronic shopping has recently grown in popularity. The effects of this terror on people's lives can be seen in a variety of areas, including employment, shopping, communication, spending patterns, behaviour, and product preferences.

According to Saravanan and Devi (2015), as the Internet has advanced, so has the technology for online purchases. It is a practical method of purchasing goods and services that gives customers options for a wide range of goods. Customers engage in internet purchasing behaviour when they browse websites or apps to find, choose, and purchase goods and services to satisfy their needs and wants.

In his study, Rastogi (2010) discovered that consumers may now buy anything they want from anywhere they want to shop with convenient and secure payment choices. To make smarter purchases, customers can compare various products as well as websites or mobile apps. Online shopping is popular for a number of reasons, including the wide variety of products, easy purchasing, affordable costs, and several payment choices.

Neger and Uddin (2020) noted in their study that less time-consuming payment methods, organisational variables, and other factors have an impact on consumers' online shopping behaviour. However, there are a number of additional variables or forces that encourage customers to shop online after COVID-19. The key factors driving online shopping after COVID-19 are convenience, time savings, and the digital transformation of neighbourhood kirana shops. These factors include limited human movement, COVID-19 fear, the rapid expansion of mobile devices, and a lack of merchandise in physical stores.

According to Hashem (2020), e-commerce through various websites or mobile

apps is increasingly important to most customers worldwide. Customers are especially interested in online food shopping and other necessities in the month of April.

Electronic shopping is also influenced by consumers' desire to avoid wasting their time and energy travelling to stores to make purchases. E-retailers offer the option of home delivery of goods or services. In the coming years, consumers would prefer making purchases online to those made in stores or other offline venues. On the other hand, quarantine is another justification for purchasing items online. There have been so many various issues throughout this time. Due of their fear of coming into contact with a corona positive individual, people do not willing to leave their homes to go shopping. Consumers are the lifeblood of Kirana's shops. Due of the Corona virus, people are looking for different options today, but they do not want to interact with any other people. Customers now find it simpler to purchase their favourite goods and services in the shortest amount of time thanks to the kirana shops' and online delivery services' rapid development in digitalization. They also offer goods sanitization and contactless deliveries. Consumers and businesses have profited from the local Kirana shops' digital revolution.

#### RESEARCH METHODOLOGY:

##### Research Objective:

1. To evaluate consumer attitudes concerning internet purchases during COVID-19
2. To evaluate Covid-19's effects on the sales of specific FMCG firms

##### Sample Size:

This study analysed the purchasing patterns of 1000 consumers in Gujarat state, India, during the Covid-19 pandemic.

The two FMCG firms listed below were the focus of this investigation.

1. Dabur Limited
2. Hindustan Unilever Limited

##### Sources of Data:

1000 consumers in Gujarat state were targeted to get the primary data.

Secondary data was acquired through articles, published reports, company annual reports, and other sources.

##### PERIOD OF DATA COVERAGE:

Financial statements of selected FMCG companies has been analysed for the years 2019-20 to 2020-21 to find out the impact of Covid-19 impact on sales of these companies.

##### Data Analysis:

Chi-square testing was used to analyse the primary data in this study, and the T-test was used to analyse the secondary data.

1. Relationship between consumers' perception towards buying online during Covid-19 and education of the consumers

"Chi-Square Tests"			
	"Value"	"df"	"Asymptotic Significance (2-sided)"
"Pearson Chi-Square"	7.004 <sup>a</sup>	12	.857

**H<sub>0</sub>1:** "There is no association between consumers' perception towards buying online during Covid-19 and education of the consumers"

##### Interpretation:

The significant p value is higher than 0.05, indicating that there is no correlation between consumer education and their view of online shopping during COVID-19.

2. Relationship between consumers' perception towards buying online during Covid-19 and age of the consumers

"Chi-Square Tests"			
	"Value"	"df"	"Asymptotic Significance (2-sided)"
"Pearson Chi-Square"	9.626 <sup>a</sup>	12	.649

**H<sub>0</sub>2:** There is no association between consumers' perception towards buying online during Covid-19 and age of the consumers

##### Interpretation:

The significant p value is greater than 0.05, indicating that there is no relationship between the age of the consumers and their view of online shopping during the year Covid-19.

3. Relationship between consumers' perception towards buying online during Covid-19 and gender of the consumers

"Chi-Square Tests"			
	"Value"	"df "	"Asymptotic Significance (2-sided)"
"Pearson Chi-Square"	4.699 <sup>a</sup>	4	.320

**H<sub>3</sub>:** There is no association between consumers' perception towards buying online during Covid-19 and gender of the consumers

#### Interpretation:

Given that the significant p value is more than 0.05, it is clear that there is a relationship between customers' perceptions of online shopping during COVID-19 and their gender.

	Before Covid-19	After Covid-19
Mean	22291.4	26247.865
Variance	510823077	726806232
Observations	2	2
Pooled Variance	618814655	
Hypothesized Mean Difference	0	
df	2	
t Stat	-0.159048	
P(T<=t) one-tail	0.4441205	
t Critical one-tail	2.9199856	
P(T<=t) two-tail	0.8882409	
t Critical two-tail	4.3026527	

#### DECISION:

The null hypothesis is accepted because there is no significant difference in the sales of the companies before and after the Covid-19 pandemic, which implies that the pandemic had no effect on the sales of the chosen companies. This is shown in the above table where the P value (Two Tail) is 0.888, which is higher than the significance value 0.05 (P value > 0.05).

#### CONCLUSION:

Customers' buying behaviour and habits were observed to have undergone a significant change during the Covid-19 pandemic, and the majority of these changes are expected to last into the post-pandemic period. The buying of necessities such as milk and milk products, vegetables, fruits, pulses, flour, spices, edible oils, snacks, chips & biscuits did not change before lockdown, during lockdown, or after unlocking. During the lockdown, fewer people bought various products like newspapers, furniture, electronics, home appliances, books and stationary, sports equipment, beauty products, clothing, jewellery, and footwear, as well as cars and restaurants. The purchase of some products, such as medications, immune system boosters, masks, gloves, internet/net packs, health and nutritional products, sanitizers, and disinfectants, has grown. This demonstrates that individuals are more concerned with sanitization and health items. As more people began working from home jobs and going to school during lockdown, there was an increase in net packs and internet usage.

In India, online shopping is constantly growing, and there is a significant market opportunity for online retailers to enter underserved regions. E-retailers must therefore continuously assess their customers' expectations, take the necessary steps as soon as possible to address any issues their customers may be experiencing when shopping online, and provide full-fledged products and services, such as better quality goods at lower prices, prompt return and replacement of damaged goods, and quicker delivery times, in order to increase customer satisfaction and foster loyalty, which helps to keep current customers and draw in new ones.

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